

Ancom Radford- Referral package.

- Mr Bingham 17,000 - 18,000

= Operator dependents 5,500 - 6,000

- RCRA compliance \$30,000 - CR indicated 15,000 is too low.

- Proposed penalty by defendant \$15,000 RCRA

June 85 signed.

penalty due.

3 yrs.

15

	15,000	CERCLA.
\$	<u>30,000</u>	total.

would need to establish whether he was an owner.

if meets -

agree to \$15,000 + interest for RCRA.

15,000 for Superfund.



U.S. ENVIRONMENTAL PROTECTION AGENCY
REGION 10
1200 SIXTH AVENUE
SEATTLE, WASHINGTON 98101

REPLY TO
ATTN OF:

March 6, 1989

SUBJ: ARRCOM
TO: Bill Adams (RCRA)
Lee Marshall (CERCLA)
FROM: Monica Kirk *mk*

I received the enclosed settlement proposal. As expected, ARRCOM seeks to resolve both the RCRA and any potential CERCLA liability.

As you may recall, the RCRA collection action sought to collect the \$15,000 agreed penalty for Bingham's failure to complete closure, plus a civil penalty for failure to comply with an administrative consent order. The Referral Packet forwarded to Headquarters suggested a settlement figure of \$17,000-\$18,000 for Bingham. Since April 1988, the Regional RCRA program has held firm with \$30,000.

Perhaps Bill, Lee and I can meet this Thursday or Friday to discuss the attached proposal. Please call me (1505) and suggest a time.

Thanks.

ENCL



U.S. Department of Justice

Copy to Lee Marshall
and Bill Adams
by mtk 3/6/89.

United States Attorney
District of Idaho

Federal Building, Box 037
550 West Fort Street
Boise, Idaho 83724

February 21, 1989

Monica Kirk, Esq.
Regional Attorney
U.S. Environmental Protection Agency
Region 10
1200 Sixth Avenue
Seattle, WA 98101

RECEIVED
FEB 27 1989

OFFICE OF REGIONAL COUNSEL
EPA - REGION X

Re: U.S. v. Bingham, et al
Civil No. 88-3011; USAtty No. 88-0570

Dear Monica:

Enclosed is a copy of Givens' detailed settlement offer which was hand-delivered to me this morning. Givens and Martin are anxious to know whether anything can be agreed to or whether discovery should commence in earnest.

Also at the meeting, they inquired about the responses of others to the CERCLA notices, and whether they could obtain copies and whether or not EPA had learned from investigation about the existence of any insurance. I promised only to check with you and let them know.

After you have a chance to read through their proposal, please call me at FTS 554-1211.

Sincerely,

MAURICE O. ELLSWORTH
United States Attorney
By

WARREN S. DERBIDGE
Assistant United States Attorney

WSD/k
Encl.

LAWYERS

C. BEN MARTIN
JOHN S. CHAPMAN
W. ANTHONY PARK
F. MICHAEL BURKETT
PATRICK D. COSTELLO
J. F. MARTIN (1893-1967)

**MARTIN
CHAPMAN
PARK &
BURKETT**

STATEHOUSE CENTER BUILDING • (208) 343-6485 • P.O. BOX 2898 • 775 N. 8TH ST. • BOISE, IDAHO 83701

February 21, 1989

Mr. Warren Derbridge
Assistant United States Attorney
550 West Fort
Boise, ID 83720

Re: U.S. v. Bingham #88-3011,
ARRCOM CERCLA PRP Notification

Dear Warren:

At various times in the last several months we have discussed in broad terms, with you or your predecessors, various approaches to resolving the above RCRA and CERCLA matters regarding the Rathdrum ARRCOM site.

Our recent investigation has uncovered various facts which make it most appropriate to resolve both of these matters simultaneously. We have authority from Mr. Bingham to propose settlement of both matters as set out in this letter.

Before we set out the details of the proposal it is helpful to briefly discuss a few relevant facts. These will be broken down into three areas dealing with (1) chain of title, (2) Mr. Bingham's lack of involvement in the ARRCOM operation and (3) the jurisdictional ruling in the underlying administrative action after the Agreed Penalty Order was issued.

CHAIN OF TITLE:

The material chain of title begins with a Warranty Deed from Francis Clapper to Frank Bundy, which was signed on July 23, 1968. (See A) This was the last Warranty Deed in the chain.

The next item is a "Sales Agreement" from Frank and Hilda Bundy to William and Jean Pickett and Jimmie and Betty Peterson. (See B) It was signed by the Bundys and Picketts on February 16, 1972. It was not signed by the Petersons.

February 21, 1989
Page Two

The next two items are a Quitclaim Deed and an Assignment from Jimmie or Betty Peterson to William and Jean Pickett. (See C and D) These were signed on May 9, 1973.

The next document is titled "Purchaser's Assignment of Contract and Deed" from ARRCOM, Inc. to Warren Bingham. (See E) It was signed on February 14, 1979, by George Drexler, as President of ARRCOM, Inc. ARRCOM, Inc., has not previously appeared in the chain of title and that the conveyance is by Quitclaim.

The next document is titled "Lease and Option Agreement" from Warren Bingham back to ARRCOM. (See F) It was signed on December 19, 1979, by Mr. Bingham and Mr. Drexler as President of ARRCOM, Inc.

The next item is a "Real Estate Contract" from William and Jean Pickett to ARRCOM, Inc. (See G) This was signed on December 28, 1979. This document conveyed no property; it assigned no interest in any prior agreement or contract.

The next item is a "Quitclaim Deed" from ARRCOM, Inc. to Warren Bingham signed on September 14, 1981. (See J)

The final relevant document is a Tax Deed issued to Kootenai County, after proper notice and hearing on February 11, 1986. (See H) The name of the former record owner is properly listed on the Tax Deeds as Frank Bundy, the Grantee of the only Warranty Deed in this entire chain.

The Tax Deed is correct. Title never passed from Frank Bundy until the Tax Deed was issued. No title passed in the Bundy/Pickett transaction. No title passed in the Pickett/ARRCOM, Inc. transaction, nor was any assignment of any previous contract made. Warren Bingham never owned the property, nor did he ever possess an interest in a valid contract that chained the title back to Bundy. The chain was broken when the Bundy/Pickett contract was not assigned to or assumed by ARRCOM, Inc.

Previously there has been discussion of a quiet title action quieting title in Mr. Bingham to an ARRCOM site. The Cowlitz County, Washington case of Warren Bingham v. ARRCOM, Inc., George Drexler and Hazel Drexler, #50583, did quiet title to some Washington property in Warren Bingham's name as to those Defendants, but it quieted no title in Idaho, nor could a Washington Court do so.

BINGHAM'S NONINVOLVEMENT IN ARRCOM, INC.:

The second factual area to be discussed concerns Mr. Bingham's total lack of involvement in the ARRCOM operation at Rathdrum. Mr. Michael Brown, the EPA staff engineer who initially investigated the ARRCOM, stated it best in his deposition:

A. Well, he didn't seem to be involved as an operator at all.

Q. And his -- as far as you know, you have investigated this thoroughly, I am sure; as far as you know, Mr. Bingham's only connection with Rathdrum is his financial arrangement that he entered into with Drexler.

A. That's true.

Deposition of Michael Brown
EPA # x 83-04-01-3008
x 83-04-02-3008

Mr. Bingham was not involved in any way in the ARRCOM operation. He did not even know that ARRCOM had applied for a RCRA Permit, Brown Deposition, p. 56, LL 18-21, and he did not sign the permit application as owner when ARRCOM did apply for a RCRA Permit. Brown Deposition, p. 57, LL 1-4, 14-22.

LACK OF JURISDICTION:

The third area of factual discussion involves administrative law. Judge Thomas Yost's Initial discussion in the underlying administrative proceeding, Cases # x-83-04-01-3008 and x-83-04-02-3008, dated October 21, 1985. This decision was entered about four months after the Agreed Penalty Order was signed by the Regional Administrator, Erresta Barns, in the same case.

The underlying administrative case dealt with both the Rathdrum and Tacoma ARRCOM sites. The issue resolved by Judge Yost was whether the owners of the Tacoma site, Mr. Craigle and Mr. Inman, were liable for RCRA civil penalties.

The participation of Mr. Craigle and Mr. Inman at Tacoma was identical to that of Mr. Bingham at Rathdrum. They were Lessors and nothing more. The EPA argued that this mere fact of ownership

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Page Four

created some sort of vicarious liability for RCRA civil penalties. Judge Yost disagreed.

Therefore, I am of the opinion that, under the facts of this case, the notion of vicarious liability as to the non-negligent and non-participatory land owners in this case is not applicable and that I herewith find that the lessors, Craigle and Inman, are not liable for any civil penalty, nor are they subject to any order which may issue under this case. There is, of course, nothing to prevent the agency from causing the facility to be cleaned up and then attempting to obtain contribution from the land owner under CERCLA. They may not, however, impose civil penalties under RCRA in these circumstances.

In re ARRCOM, Inc.
Initial Decision pp. 10-11
(Emphasis added)

Judge Yost's decision was jurisdictional. Non-negligent, non-participatory lessors were not "subject to any order which may issue" from EPA. They were not subject to the jurisdiction of the EPA under RCRA.

If the EPA did not have RCRA jurisdiction over Mr. Craigle or Mr. Inman, it did not have RCRA jurisdiction over Mr. Bingham. Agreed Penalty Order Findings of Fact 3 and 4, at p. 2, establish the very facts necessary to prove that no jurisdiction existed. Without RCRA jurisdiction over Mr. Bingham, the EPA Regional Administrator did not have jurisdiction to enter into the Agreed Penalty Order dated June 20, 1985.

It of course follows that if the underlying Administrative Order fails for lack of jurisdiction, so too must this enforcement action fail.

SUMMARY OF FACTS:

Mr. Bingham either possessed no interest in the Rathdrum ARRCOM site or was merely a non-negligent, non-participating lessor. Either way he was not liable for RCRA civil penalties because EPA had no jurisdiction over him.

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Page Five

If Mr. Bingham is found to not be the owner of the Rathdrum site, he has no CERCLA liability either.

Even if Mr. Bingham is found to hold sufficient interest in the property to establish CERCLA jurisdiction, his participation in the operation of the Rathdrum facility was so nonexistent that a de minimus settlement is appropriate under 42 USC 9266(g).

Mr. Bingham "did not conduct or permit the generation, transportation storage treatment or disposal of any hazardous substance at the facility." He "did not contribute to the release or threat of release of a hazardous substance at the facility through any action or omission." He had no "actual or constructive knowledge that the property was used for the generation, transportation, storage, treatment, or disposal of any hazardous substance."

He did not even know ARRCOM had applied for a RCRA Permit, let alone sign such an application. He has been most cooperative with EPA in their investigation of the Rathdrum site.

SETTLEMENT PROPOSAL:

Because of the unique facts of this case, Mr. Bingham proposes settlement of both the RCRA and CERCLA claims at this time. The facts surrounding ownership make it necessary to deal with both matters at the same time. If Mr. Bingham were to allow the Agreed Penalty Order to stand without a simultaneous resolution of the CERCLA claim, he would be exposing himself to potential liability of over \$1,000,000. Because of the contents of that Order, both the RCRA and CERCLA matters must be resolved simultaneously.

Mr. Bingham proposes the following resolution:

1. RCRA. The Agreed Penalty Order be allowed to stand. Stipulated Judgment be entered for the \$15,000 contained in the Agreed Penalty Order and all other claims be dismissed. Payment of the \$15,000 will be tendered at the time of the entry of Judgment and a Satisfaction of Judgment be entered at that time.
2. CERCLA. A de minimus settlement be entered into pursuant to 42 USC 9622(g). \$15,000 be paid as settlement. A covenant not to sue be entered into absolving Mr. Bingham of all liability to the United

February 21, 1989
Page Six

States concerning the Rathdrum faility and setting forth that the effect of the agreement to absolve Mr. Bingham of all liability for claims of contribution from others.

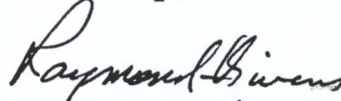
The total amount to be paid by Mr. Bingham to EPA will be \$30,000. It will be paid in full at the time of signing.

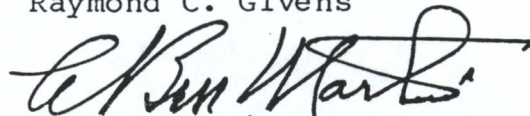
Under the facts, this is a most appropriate resolution. It reflects the total lack of participation Mr. Bingham had in the operation at Rathdrum, allows the Agreed Penalty Order to stand, and avoids complex and expensive litigation.

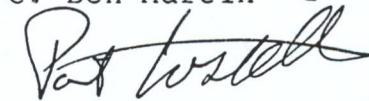
We appreciate that it will take some time to obtain approval of the settlement from the various officials involved. If you feel a meeting would be helpful to discuss or clarify any aspect of the proposal, please let us know and one shall be arranged.

We look forward to hearing from you at your convenience. Thank you for your courtesy.

Sincerely,


Raymond C. Givens


C. Ben Martin


Patrick D. Costello

RCG:CBM:PDC:mc
Encs.

cc: Warren Bingham

11/13/82
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CONF
ENDORSED
FILED
SUPERIOR COURT

JAN 13 1982

SUPERIOR COURT OF WASHINGTON FOR COWLITZ COUNTY

COWLITZ COUNTY
BEVERLY BRIGHT, Clerk
By _____

WARREN W. BINGHAM,

Plaintiff,

vs.

ARRCOM, INC., a Washington
corporation, et al.,

Defendants.

NO. 5 0 5 8 3

JUDGMENT

(Not As To All Claims)

This matter having come on regularly before the Court and the Court having made its Findings of Fact and Conclusions of Law and having determined that this lawsuit contains multiple claims and parties and that there is no reason for delay and that the interests of justice would be carried out if a partial final judgment were entered herein, Now, Therefore,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

1. That as between the plaintiff and the defendants Arrcom, Inc., and George W. Drexler and Hazel M. Drexler, husband and wife, plaintiff is declared to be the owner of the personal property set forth in Exhibit "B" and is entitled to immediate possession thereof and that said defendants are hereby ordered to immediately grant plaintiff possession thereof and deliver all documents of title and registration to plaintiff and defendants are ordered to inform plaintiff of the whereabouts of said personal property and equipment.

2. That the plaintiff is awarded judgment against Arrcom, Inc.

I

LAW OFFICES
Frey & Kenny, P.S.
1005 WEST MAIN STREET, P.O. BOX 100
BELLINGHAM, WASH. 98220

1 and George W. Drexler and Hazel M. Drexler, husband and wife,
2 in the amount of \$500.00 representing terms that were heretofore
3 granted by the Court.

4 3. That the plaintiff is awarded judgment against defendant
5 Arrcom, Inc. in the amount of \$10,000.00 representing liquidated
6 damages as specified in the agreement between the parties.

7 4. That as between the plaintiff and the defendants Arrcom,
8 Inc. and George W. Drexler and Hazel M. Drexler, husband and wife,
9 and against Aetna Life Insurance Company, Inc., plaintiff's
10 title to the real estate described in Exhibit "A" is hereby
11 established and quieted in fee simple against the claims of
12 the defendant Aetna Life Insurance Company, Inc. and Arrcom, Inc.
13 and George W. Drexler and Hazel M. Drexler, husband and wife,
14 and the same are all and forever barred from having or asserting
15 any right, title, estate, lien or interest in the lands and
16 premises previously described which in any way is adverse to
17 the plaintiff.

18 5. That the defendants Arrcom, Inc. and George W. Drexler
19 and Hazel M. Drexler, husband and wife, have heretofore waived
20 any right to appeal this judgment as it might relate to the
21 title of plaintiff in the personalty and realty described
22 herein.

23 6. That plaintiff is granted judgment in the sum of
24 \$ 3,500 representing attorney fees herein against the
25 defendant Arrcom, Inc.

Dated this 13 day of January, 1982.

Presented by:

Donald W. Frey, Of Attorneys for Plaintiff

J U D G E

LAW OFFICES
Frey & Kenny, P.S.

PARCEL C

LOTS 6, 7, 8, 9, AND 10, BLOCK 2, COMMERCIAL ADDITION TO WOODLAND AS PER
PLAT RECORDED IN VOLUME 3 OF PLATS, PAGE 76, RECORDS OF COWLITZ COUNTY,
WASHINGTON.

DESCRIPTION

SECTION 16
SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 16, TOWNSHIP
6 NORTH, RANGE 1 WEST OF THE WILLAMETTE MERIDIAN,
EXCEPTING THE FOLLOWING DESCRIBED TRACTS:

A PARCEL OF LAND LYING IN THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER
OF SECTION 16, TOWNSHIP 6 NORTH, RANGE 1 WEST OF THE WILLAMETTE MERIDIAN,
COWLITZ COUNTY, WASHINGTON, AND DESCRIBED IN GRANTORS WARRANTY DEED FILE
NUMBER 271308, VOLUME 376 PAGE 338, RECORDS OF COWLITZ COUNTY, WASHINGTON;
THIS PORTION MORE FULLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST
QUARTER OF SECTION 16, TOWNSHIP 6 NORTH, RANGE 1 WEST, OF THE WILLAMETTE
MERIDIAN;

THENCE WEST 125 FEET;

THENCE NORTH 340 FEET;

THENCE EAST 125 FEET TO THE EAST LINE OF THE SOUTHWEST QUARTER OF THE
SOUTHWEST QUARTER OF SAID SECTION;

THENCE SOUTH ALONG SAID EAST BOUNDARY TO THE POINT OF BEGINNING.

ALSO EXCEPT:

ALL THAT PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF
SECTION 16, TOWNSHIP 6 NORTH, RANGE 1 WEST OF THE WILLAMETTE MERIDIAN,
LYING WESTERLY AND SOUTHERLY OF THE CLOVERDALE COUNTY ROAD,

ALSO EXCEPT RIGHT OF WAY OF CLOVERDALE ROAD.

ALSO EXCEPTING:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 16;

THENCE EASTERLY ALONG THE SOUTH LINE OF SAID SECTION, A DISTANCE OF 373.6
FEET TO THE NORTHEASTERLY RIGHT OF WAY LINE OF CLOVERDALE COUNTY ROAD;

THENCE NORTH 38° WEST 202.1 FEET ALONG SAID COUNTY ROAD RIGHT OF WAY TO
A POINT THAT IS 176 FEET SOUTHEAST OF THE SOUTHEASTERLY RIGHT OF WAY LINE
OF THAT 60 FOOT EASEMENT DESCRIBED IN DEED RECORDED UNDER AUDITOR'S FILE
NO. 749197, SAID POINT BEING THE TRUE POINT OF BEGINNING OF THE TRACT HERE
DESCRIBED;

THENCE NORTH 38° WEST 176 FEET TO SAID SOUTHEASTERLY EASEMENT RIGHT OF WAY
THENCE NORTH 18° EAST 337 FEET ALONG SAID EASEMENT RIGHT OF WAY TO AN END
POINT THEREIN;

THENCE NORTH $31^{\circ} 30'$ EAST ALONG SAID EASEMENT RIGHT OF WAY 30 FEET MORE OR
LESS TO THE CENTER LINE OF A CREEK;

THENCE EASTERLY ALONG SAID CREEK 150 FEET MORE OR LESS TO A POINT THAT IS
NORTH 19° EAST OF THE TRUE POINT OF BEGINNING;

THENCE SOUTH 18° WEST 450 FEET MORE OR LESS TO THE TRUE POINT OF BEGINNING.

PORTION CONTINUED
EXCEPTING

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 16;
THENCE EAST ALONG SOUTH LINE OF SAID SUBDIVISION A DISTANCE OF 829 FEET;
THENCE NORTH 340 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION;
THENCE CONTINUING NORTH 320 FEET MORE OR LESS TO THE CENTER OF AN UNNAMED
CREEK;
THENCE NORTHEASTERLY ALONG CENTERLINE OF SAID CREEK TO THE EAST LINE OF
THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER;
THENCE SOUTH 540 FEET MORE OR LESS TO THE NORTHEAST CORNER OF TRACT CONVEYED
TO FERN V. SHAPIRO BY DEED RECORDED MARCH 17, 1971 UNDER AUDITOR'S FILE
NUMBER 711009;
THENCE WEST ALONG NORTH LINE OF SHAPIRO TRACT AND SAID NORTH LINE EXTENDED
WEST A DISTANCE OF 491 FEET TO THE POINT OF BEGINNING.
EXCEPT PORTION IN COUNTY ROAD.

ALSO EXCEPTING:

BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST
QUARTER OF SAID SECTION 16;
THENCE WEST ALONG THE SOUTH LINE OF SAID SECTION 16, A DISTANCE OF 125 FEET
TO THE TRUE POINT OF BEGINNING;
THENCE WEST 820 FEET TO A POINT ON THE NORTHEASTERLY RIGHT OF WAY LINE OF
CLOVERDALE ROAD;
THENCE NORTHWESTERLY ALONG THE NORTHEASTERLY RIGHT OF WAY LINE OF CLOVERDALE
ROAD A DISTANCE OF 200 FEET;
THENCE NORTH 18° EAST A DISTANCE OF 450 FEET TO THE CENTER OF AN UNNAMED
CREEK;
THENCE NORTHEASTERLY ALONG THE CENTER OF SAID CREEK TO A POINT ON THE
WESTERLY LINE OF A TRACT OF LAND CONVEYED TO GERALD D. WALTERS, ET UX, AND
RECORDED UNDER AUDITOR'S FILE NUMBER 760194;
THENCE SOUTH ALONG THE WEST LINE OF SAID WALTERS TRACT, A DISTANCE OF 320
FEET TO THE SOUTHWEST CORNER THEREOF;
THENCE EAST ALONG THE SOUTH LINE OF SAID WALTERS TRACT, A DISTANCE OF 355
FEET;
THENCE SOUTH A DISTANCE OF 340 FEET TO THE TRUE POINT OF BEGINNING.

AGE 3, DESCRIPTION CONTINUED

PARCEL A (CONTINUED)

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PROPERTY:

BEGINNING AT THE SOUTHWEST CORNER OF SOUTHWEST QUARTER OF SOUTHWEST QUARTER SECTION 16, TOWNSHIP 6 NORTH, RANGE 1 WEST OF THE WILLAMETTE MERIDIAN;
HENCE EAST ON SOUTH LINE OF ABOVE SUBDIVISION 373.65 FEET TO EAST RIGHT OF
WAY LINE OF CLOVERDALE COUNTY ROAD;
HENCE NORTH 38° 00' WEST ALONG SAID RIGHT OF WAY 408.10 FEET TO A POINT;
HENCE NORTH 18° 00' EAST 337.15 FEET TO A POINT;
HENCE NORTH 31° 30' EAST 62.45 FEET TO A POINT;
HENCE NORTH 03° 00' EAST 122.32 FEET TO A POINT;
HENCE NORTH 76° 30' EAST 57.80 FEET TO A POINT;
HENCE NORTH 50° 30' EAST 230.02 FEET TO THE TRUE POINT OF BEGINNING OF THE
PROPERTY TO BE CONVEYED;
HENCE SOUTH 47° 30' EAST 137.9 FEET TO AN IRON PIPE;
HENCE NORTH 40° 00' EAST 208.7 FEET;
HENCE NORTH 47° 30' WEST 208.7 FEET;
HENCE SOUTH 40° 00' WEST 208.7 FEET;
HENCE SOUTH 47° 30' EAST 70.8 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL B

BEGINNING AT THE SOUTHWEST CORNER OF SOUTHWEST QUARTER OF SOUTHWEST QUARTER SECTION 16, TOWNSHIP 6 NORTH, RANGE 1 WEST OF THE WILLAMETTE MERIDIAN;
HENCE EAST ON SOUTH LINE OF ABOVE SUBDIVISION 373.65 FEET TO EAST RIGHT
OF WAY LINE OF CLOVERDALE COUNTY ROAD;
HENCE NORTH 38° 00' WEST ALONG SAID RIGHT OF WAY 408.10 FEET TO A POINT;
HENCE NORTH 18° 00' EAST 337.15 FEET TO A POINT;
HENCE NORTH 31° 30' EAST 62.45 FEET TO A POINT;
HENCE NORTH 03° 00' EAST 122.32 FEET TO A POINT;
HENCE NORTH 76° 30' EAST 57.80 FEET TO A POINT;
HENCE NORTH 50° 30' EAST 230.02 FEET TO THE TRUE POINT OF BEGINNING OF
THE PROPERTY TO BE CONVEYED;
HENCE SOUTH 47° 30' EAST 137.9 FEET TO AN IRON PIPE;
HENCE NORTH 40° 00' EAST 208.7 FEET;
HENCE NORTH 47° 30' WEST 208.7 FEET;
HENCE SOUTH 40° 00' WEST 208.7 FEET;
HENCE SOUTH 47° 30' EAST 70.8 FEET TO THE TRUE POINT OF BEGINNING.

LOT 2, BLOCK 5, GOERIG'S ADDITION TO WOODLAND, ACCORDING TO
THE PLAT THEREOF RECORDED IN VOLUME 3 OF PLATS, PAGE 82,
RECORDS OF SAID COUNTY. -

EXHIBIT "D"

PERSONAL PROPERTY

The plant and equipment commonly used in the business known as the Rathdrum, Idaho Oil Processing Plant and the Woodland Oil Processing Plant in Cowlitz County, Washington. This equipment includes but is not specifically limited to an automotive shop located in Cowlitz County and all of its parts and tools; and the following:

Six 25,000 gallon tanks
One 45,000 gallon tank
One underground 2,000 gallon tank
One 6,000 gallon tank
Four 12,500 gallon tanks
Three 10,000 gallon tanks
One 12,500 gallon tank
One 1,200 gallon tank
Three phase pumps
One asphalt pump
Eight manifolds and valves
Wiring
Turn valves
Oil processors
Check valves
One 2,000 gallon tank
Two 8,000 gallon tanks
Pumps and plumbing
75 yards concrete tank foundations
Five miscellaneous tanks
Electrical wiring unit in place,
pumps, heaters, processor
Oil shakers
Concrete walks, dike and flat work
Overhead walkways and ladders
Piping to tanks, els, unions and tees
Gate valves 2 1/2"
Loading valves 12-3"
Twelve style 20 swing joints
Twelve style 40 swing joints
Eighty 8" column pipe
Twenty 6" column pipe
Twenty gripstrut steps
75' 8" channel
Pressure washer
360' Z-purlins
Compressor
Plumbing
Electrical wiring and service
loading rack
250' 5' chain link fence & three gates
Thermal heater
Canner
Painting tanks and rack

Two gal. can canning machine
One qt. can canning machine
Two cooking plants

1972 International tanker	Serial No. 106720 H 338424
1972 International tanker	106720 H 338414
1962 Ford tanker	F75 FU 301 151
1968 King tanker	WA 765 1654
1968 Chevrolet tanker	CS 538 Z 157766
1959 Fruehauf tanker	FR 506 45
x1966 Ford	D80N0723201
x1967 GMC	CM5670BC9824D
x1952 HM (Homemade)	WN8 or 5 169703
1976 Dodge	WK4106A219999
x1978 Ford Pickup	P26SRBC3058
1972 International Tractor	2594716508267

~~1972 International Drain Oil Truck~~
~~1972 International Drain Oil Truck~~
~~1972 International Trans Star Tractor~~
x1976 Dodge Sedan
1973 Chevrolet Pick-up
1973 Pace Arrow Motor Home
1960 Chevrolet Drain Oil Truck
1965 Chevrolet Drain Oil Truck
1967 GMC Drain Oil Truck
1966 International Road Oil Truck
1974 Fruehauf Alum. Semi-Trailer 9500 Gal.
1955 Fruehauf Alum. Semi-Trailer 8400 Gal.
2 - 4500 Gallon Pull Trailers
2 - 6500 Gallon Semi-Trailers
1967 Freightline Tractor
1962 Ford F-600 Drain Oil Truck

EXHIBIT "B"

895811

BOOK 316 PAGE 376

QUIT CLAIM DEED

This indenture, made this 14 day of September,
 One Thousand Nine Hundred and Eighty-One between ARRCOM, INC., GEORGE
 W. DREXLER and HAZEL M. DREXLER of Woodland, County of Cowlitz, State
 of Washington, the parties of the first part, and WARREN W. BINGHAM
 whose present address is 4760 Mt. Aukum Road, Placerville, California,
 the party of the second part.

WITNESSETH

That the said parties of the first part, for and in consideration
 of clearing title do by these presents remise, release and forever
 quitclaim unto the said party of the second part and to his heirs and
 assigns, all of the parcel of land situate in the County of Kootenai,
 State of Idaho, bounded and particularly described as follows, to-wit:

(See Exhibit "A" which is attached hereto and by this
 reference incorporated herein)

together with all and singular the tenements, hereditaments and appur-
 tenances thereunto belonging or in anywise appertaining, the reversion
 and reversions, remainder and remainders, rents, issues and profits
 thereof. To have and to hold all and singular the said premises,
 together with the appurtenances unto the party of the second part
 and to his heirs and assigns forever.

In witness whereof, the said parties of the first part have
 hereunto set their hands and seals the day and year first above
 written.

ARRCOM, INC.

George W. Drexler
 Title: President
Hazel M. Drexler
 Title: Secretary
George W. Drexler
 George W. Drexler

Hazel M. Drexler
 Hazel M. Drexler

Filed and recorded at the request of W. W. Bingham
 at 2:45 o'clock A M, this 14 day of SEP 19 1982

By: W. W. Bingham
 Deputy

Fee \$ 6.00

Carol Ditts
 County Auditor for the
 Cowlitz County, WA
 County to

Box 901 Ada

J

STATE OF Washington)
County of Cowlitz) ss.

On this day personally appeared before me GEORGE W. DREXLER and HAZEL M. DREXLER to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 15 day of September, 1981.

George W. Drexler
Notary Public in and for the State of
Washington, residing at Longview

STATE OF Washington)
County of Cowlitz) ss.

On this 15 day of September, 1981, before me, the undersigned, a Notary Public in and for the State of _____ duly commissioned and sworn, personally appeared George W. Drexler and Hazel M. Drexler to me known to be the _____ President and Secretary, respectively of ARRCOM, INC. the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the _____ day and year first above written.

George W. Drexler
Notary Public in and for the State of
Washington, residing at Longview

866295

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PARCEL 2

That portion of Tracts 17 and 24, Plat No. 2, GREENACRES IRRIGATION DISTRICT, Kootenai County, Idaho, according to the plat thereof recorded in Book B of Plats at Page 51, records of Kootenai County, Idaho, described as follows:

COMMENCING at the Northeast corner of said Tract 24; thence, North 89°32'45" West along the North line of said Tract 24, 208.0 feet to the Southwest corner of land described in the deed to Sam Green and wife recorded October 26, 1961 in Book 187 of Deeds at Page 216; being the TRUE POINT OF BEGINNING; thence, South 10°26'45" East, 241.15 feet to a point on the Northwesterly line of State Highway 53; thence, South 49°20' West along said Northwesterly line, 209.0 feet to an intersection with the Easterly line of land described in the deed to Theodore Day and wife recorded June 2, 1978 in Book 291 of Deeds at Page 449; thence, North 4°24' West along said Easterly line, 408.0 feet to the most Southerly Southwest corner of land described in the deed to Theodore Day and wife recorded April 21, 1978 in Book 290 of Deeds at Page 484; thence, South 89°32'45" East along the South line of said Day land, 147.1 feet to a point on the West line of land described in said deed to Sam Green and wife above mentioned; thence, South 0°24' West along said West line, 31.5 feet to the TRUE POINT OF BEGINNING.

Francis Clapper

Warranty Deed 7/23/68

Frank Bundy

Frank Bundy + Hilda Bundy

Sales Agreement 2/16/72 not signed by Patersons

William Pickett, Jean Pickett

(Finnie Paterson + Betty Paterson)

~~12/73~~ Quit Claim Deed
5/9/73

Assignment of
Bundy Contract 5/9/73

William + Jean Pickett

ARRCOM Inc

Assignment of
Contract + Deed
12/14/77

Warren Bingham

Lease Option
12/19/77

ARRCOM

Real Estate Contract

no assignment or assumption of
Bundy contract interest
12/28/79

~~12/81~~
Quit Claim Deed
9/14/81

ARRCOM Inc

Bingham

AT
CED
1/27/86

Kootenai County